

## **EXHIBIT 7**

1 UNITED STATES DISTRICT COURT  
2 DISTRICT OF SOUTH CAROLINA  
3 CHARLESTON DIVISION  
4 IN ADMIRALTY

5 TIFFANY N. PROVENCE, AS THE  
6 PERSONAL REPRESENTATIVE OF  
7 THE ESTATE OF JUAN ANTONIO  
8 VILLALOBOS HERNANDEZ,

Plaintiff,

vs. CASE NO. 2:21-cv-965-RMG

9 UNITED STATES OF AMERICA,  
10 CROWLEY MARITIME CORPORATION,  
11 CROWLEY GOVERNMENT SERVICES,  
12 INC., DETYENS SHIPYARDS, INC.  
13 AND HIGHTRAK STAFFING, INC.  
14 D/B/A HIGHTRAK STAFFING, INC.,  
15 Defendants.

VTC

30(b)(6)

(CONTINUED)

15 DEPOSITION OF: CROWLEY GOVERNMENT  
SERVICES BY PAUL VARGHESE

16 DATE: March 9, 2022

17 TIME: 10:44 AM

18 LOCATION: Hines & Gilseman, LLC  
19 1535 Hobby Street, Suite 203D  
20 Charleston Navy Yard  
21 North Charleston, SC

TAKEN BY: Counsel for the Plaintiff

22 REPORTED BY: Priscilla Nay,  
23 Court Reporter  
24 (Remotely via VTC)  
25

1 (EXHIBIT 1, Amended Notice of  
2 Deposition, was marked for identification.)

3 PAUL VARGHESE  
4 being first duly sworn, testified as follows:

5 EXAMINATION

6 BY MR. YOUNG:

7 Q. Okay. Sir, we were talking earlier.  
8 You -- you mentioned that when you were first port  
9 engineer you operated vessels in ROS status and  
10 that at the time the Lummus was up here at Detyens  
11 Shipyard in April of 2019 it was in RAV status.  
12 Can you tell us what RAV status means.

13 A. That is correct. RAV is Repair  
14 availability status. So during RAV the vessel is  
15 not fully certified.

16 It is not fully crewed and it is not  
17 operational. It is a maintenance -- a repair  
18 status. It's a repair status.

19 Q. Okay. And while the vessel is in  
20 repair status are members from the Crowley crew on  
21 the vessel?

22 A. There are -- there a reduced number of  
23 RAV crews specified by the MSC contract.

24 THE COURT REPORTER: And I'm sorry to  
25 interrupt. I was just going to ask. Sir, I am

1 BY MR. YOUNG:

2 Q. Okay. The safety management system  
3 still existed? It just didn't comply because  
4 the vessel wasn't in operational status. Is  
5 that right?

6 A. That is accurate.

7 Q. All right. And so the safety  
8 management system for the Lummus, would it include  
9 all kinds of safety procedures that would apply to  
10 the Lummus?

11 A. Yes. When the vessel is under the  
12 master's command and operating there will be  
13 procedures and forms and all the policies that  
14 applies to the vessel.

15 Q. Okay. And would those safety  
16 management policies include policies that were  
17 pertinent to the lifeboat systems on the vessel?  
18 On the Lummus.

19 A. Yes, while in operation.

20 Q. While it's in operation?

21 A. Yes.

22 Q. And then when it's -- when it's in dry  
23 dock those policies are suspended but the policies  
24 don't change or anything? They just don't have to  
25 be --

1 A. I --

2 Q. -- in place if it's not safe?

3 A. I --

4 Q. Is that right?

5 A. Yes. I would say it is dormant, not  
6 suspended. It is dormant and when the ship come  
7 back -- come back to, you know, certified status  
8 after the repairs that will become active.

9 Q. Okay. And then you also mentioned that  
10 there are some external auditors like the American  
11 Bureau of Shipping that would have its own safety  
12 management systems that are distinct and different  
13 from Crowley's. Is that right?

14 A. Two things. American Bureau of  
15 Shipping has their own, but we do not deal with  
16 that. We were talking in the context of the Lummus  
17 or Crowley Government Services externally audited  
18 by ABS. That is our auditing authority.

19 Q. Yes, sir. So, in other words, ABS will  
20 review Crowley's internal safety management system  
21 and either approve it, make recommendations to it  
22 or whatever. Is that right?

23 A. That is correct.

24 Q. Okay. So there is a safety management  
25 system for the Lummus that has been reviewed and

1 that's -- okay.

2 Q. Yeah. I see that on there. That's on  
3 the face of Exhibit Number 3, correct?

4 A. Yeah.

5 Q. But for reference purposes and for  
6 today's deposition what do you want to call this?  
7 Should we call it the MSC government, the  
8 government contract or what? How do you refer to  
9 it in your office?

10 A. We call it ship management contract.  
11 It's the ship management contract.

12 Q. The ship management contract. All  
13 right. And this ship management contract sets  
14 forth the rights and responsibilities of both the  
15 United States and Crowley. Is that right?

16 A. That's correct.

17 Q. This is the master controlling document  
18 between the United States and what it expects of  
19 Crowley and what Crowley's responsibilities are and  
20 what it expects from the United States. Is that  
21 right?

22 A. That is correct. If anything changes  
23 there will be an amendment provided.

24 Q. Okay. All right. So like it says here  
25 on Exhibit Number 3 this was first issued July 25th

1 correctly that the technical manual is an addendum  
2 to this contract and a part of this contract?

3 A. You were tapering off. Can you repeat  
4 that.

5 Q. Yes. Did I understand correctly that  
6 the technical manual is an addendum to this  
7 contract and a part of this contract?

8 A. Yes.

9 Q. All right. And so while Crowley is  
10 administering the repairs to a vessel like the  
11 Lummus Crowley is required to comply with the  
12 technical manual. Is that correct?

13 A. While in operation, while in repairs,  
14 Crowley write the specification to get the repairs  
15 done to bring it to that status.

16 Q. Okay. In other words, the technical  
17 manual sets forth the requirements that the vessel  
18 has to meet to be in operational and certified  
19 status. Is that true?

20 A. That is correct.

21 Q. All right. And then while the  
22 vessel is not in operational status Crowley is  
23 responsible for ensuring that the work being done  
24 to the vessel will be such that the vessel can be  
25 back in operational status and compliance with the

1           A.     That means the (inaudible) vessels  
2     are three positions of vessels in Guam, Saipan and  
3     Diego Garcia. So we have to do an inspection to --

4           THE COURT REPORTER: I'm sorry. Can  
5     you repeat your answer. I didn't catch that.

6           THE WITNESS: There are three  
7     locations these vessels are positioned. One is  
8     Diego Garcia. The other one is Guam and Saipan.  
9     So we inspect the vessels there to identify the  
10    repairs for generating the specification for the  
11    repair availability.

12          THE COURT REPORTER: I'm sorry. I did  
13    not catch the first location. I'm so sorry.

14          MR. GILSENAN: Diego Garcia. It's an  
15    island in the Indian Ocean.

16          THE COURT REPORTER: I'm sorry. I  
17    could not understand. Thank you.

18          MR. GILSENAN: Yep.

19    BY MR. YOUNG:

20          Q.     All right. Is this limited to vessels  
21    that are in one of those three locations?

22          A.     No. It can be on any vessels. We do  
23    this because the vessels are, you know, in their  
24    locations and we need to go there and find out the  
25    items for repairs.



1 the contract requirements of Crowley was that  
2 Crowley would be -- the last sentence there says  
3 Crowley would be responsible to ensure that proper  
4 safety and health precautions are taken to protect  
5 the work, the workers, the public and the property.  
6 I think you made that clear earlier. Do you agree  
7 with that?

8 A. Yes, when the ship is operating under  
9 the master's command.

10 Q. And what's in the RAV status, wouldn't  
11 it?

12 A. No. The master does not have the  
13 command. When the master doesn't have the command  
14 Crowley doesn't have the control of the vessel.

15 Q. Okay. Well, while the vessel is in a  
16 RAV status does Crowley have any responsibility for  
17 safety or not?

18 A. No.

19 Q. Okay.

20 A. No.

21 Q. So while the vessel is in RAV status  
22 Crowley has no responsibility whatsoever for  
23 safety. Is that your testimony?

24 A. The safety of the crew only.

25 Q. Okay. While the vessel is in RAV

1 injury to employees and people around the work. Is  
2 that right?

3 A. That is correct.

4 Q. Okay. And what, if anything, did  
5 Crowley do to make sure Detyens complied with this  
6 contractual requirement?

7 A. That Crowley have the representative  
8 there. They do have the safety meetings and then,  
9 you know, daily meetings and progress meetings and  
10 to verify that that job is done correctly.

11 Q. Okay. So a Crowley person is actively  
12 involved in making sure that the job is being done  
13 properly and in a safe manner?

14 A. Crowley works in -- you know, they are  
15 there to verify that, but they are not the person  
16 in any of those items. That is why the shipyard  
17 has to employ the property quality of the work --  
18 for work and then also to hire the workers who can  
19 do the job.

20 So the responsibility is shifted to  
21 the -- to the contractor and then the acceptance is  
22 only from the Crowley's port.

23 Q. Okay. Well, how does Crowley verify  
24 anything if it's not paying any attention to the  
25 procedure?

1 you know, with 200 plus items going on Crowley  
2 cannot supervise all that and say there's nothing  
3 done wrong. That is where the safety management  
4 system of Detyens comes into place.

5 Q. Okay. Fair enough. But I want to make  
6 sure I understand Crowley's position.

7 Crowley's position is you require  
8 Detyens to do it, but I can't tell whether Crowley  
9 is actively involved in reviewing whether Detyens  
10 are doing it or whether Crowley just defers  
11 completely to Detyens and has no involvement in  
12 that process.

13 A. Crowley allows Detyens to do their job.  
14 Crowley will monitor whatever they can and then  
15 they will do the final testing and acceptance to  
16 make sure that the specification work item is  
17 complete and in accordance with the spec.

18 Q. Okay. And so if Detyens did not use  
19 its best efforts to provide a safe work environment  
20 that would be a breach of this contract, right?

21 A. Yes.

22 Q. Okay. And then one of the other  
23 requirements here is Crowley says that all  
24 equipment that -- and it's in that same Section A.  
25 All equipment that presents a hazard or potential

1           A.     I would say that was an alternative  
2     because if Crowley changes their policy they could  
3     do it but at this point our -- our direction from  
4     the -- you know, the technical -- the government --  
5     the technical models -- requirement states that we  
6     should not be giving the direction. We should not  
7     be telling the shipyard how to do the job.

8           Q.     Okay. So I think I followed you there.  
9     The government has a requirement that prevents you  
10    from telling Detyens how to do its job?

11          A.     Yes.

12          Q.     Is that right?

13          A.     There are specifications in  
14    the government technical directives or  
15    requirements, government MSC general technical  
16    requirements. It's a document and for  
17    specifications of (inaudible) --

18          Q.     Okay. So there is a specification --

19                 THE COURT REPORTER: I'm sorry. For  
20    specification of what?

21                 THE WITNESS: Specification  
22    (inaudible.)

23                 THE COURT REPORTER: I'm sorry. Of the  
24    government?

25                 MR. GILSENAN: Development.

1 A. Right.

2 Q. Okay. And does Crowley Government  
3 Services feel entitled to rely on the trained  
4 safety officers at Detyens Shipyard?

5 A. That is the custody and control of the  
6 Detyens Shipyard. Then we have to go by the  
7 Detyens Shipyard safety management system. Under  
8 the impression and also based on -- based on the  
9 information they provided Detyens had fully -- you  
10 know, fully implemented their safety management  
11 system in place.

12 Q. Okay. And is the Crowley Government  
13 Services port engineer -- is he sent to the  
14 shipyard as a safety expert?

15 A. No. He does not have a safety -- he  
16 has basic safety training, but not any specific  
17 kind of inspection or safety training.

18 Q. Okay. And is he sent to the shipyard  
19 as an expert in rigging?

20 A. No.

21 Q. Okay. In fact, Detyens has a rigging  
22 shop. Correct?

23 A. Detyens has a rigging shop there and  
24 they have a department that do -- that does that.  
25 That is the reason Crowley is -- you know, Crowley